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ATTORNEYS FOR THE TEXAS STATE SECURITIES BOARD
AND THE TEXAS DEPARTMENT OF BANKING

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*¹,

Debtors.

Chapter: 11

Case No. 22-10964 (MG)

(Jointly Administered)

**LIMITED OBJECTION AND RESERVATION OF RIGHTS
OF THE TEXAS STATE SECURITIES BOARD AND THE
TEXAS DEPARTMENT OF BANKING TO DEBTORS' REVISED
DISCLOSURE STATEMENT FOR THE JOINT CHAPTER 11 PLAN OF
REORGANIZATION OF CELSIUS NETWORK LLC AND ITS DEBTOR AFFILIATES**

The Texas State Securities Board (the “SSB”) and the Texas Department of Banking (the “DOB”) (together, “Texas” or the “State”), by and through the Office of the Texas Attorney General, hereby files this Limited Objection and Reservation of Rights (the “Objection”) to the *Debtors*’

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

Revised Disclosure Statement for the Joint Chapter 11 Plan of Reorganization of Celsius Network LLC and Its Debtor Affiliates (“**Disclosure Statement**”) [Dkt. No. 3117]. In support of the Objection, the State respectfully states as follows:

LIMITED OBJECTION AND RESERVATION OF RIGHTS

1. Texas and certain other state regulators² reviewed the Disclosure Statement and Second Amended Plan and noted that the state regulator claims did not appear to be addressed by the Debtors, or the treatment of the claims were wholly unclear.

2. Discussions between counsel for those certain states regulators, including Texas, and Debtors’ counsel commenced, and Debtors provided proposed revised versions of the Disclosure Statement and Plan as recently as August 4, 2023.

3. While ongoing, collaborative discussions between the parties continue, a resolution has not been reached regarding all of the concerns of Texas and the state regulators.

4. While Texas expects any issues will be resolved consensually prior to the hearing on the Disclosure Statement, Texas files this Objection out of an abundance of caution and to preserve its rights to raise any issues that might remain outstanding with the Court prior to the approval of the Disclosure Statement.³

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² New Jersey, Texas, Vermont, Tennessee, and the states represented by the National Association of Attorneys General.

³ The states referenced herein have indicated that they concur with this position.

Dated: August 4, 2023

Respectfully submitted,

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Provisional Attorney General

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First Assistant Attorney General

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Acting Deputy Attorney General for Civil Litigation

RACHEL OBALDO
Chief for Bankruptcy & Collections Division

/s/ Layla D. Milligan
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CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing has been served via the Court's Electronic Filing System on all parties requesting notice in this proceeding on August 4, 2023.

/s/ Layla D. Milligan
LAYLA D. MILLIGAN